

U.S. DEPARTMENT OF ENERGY OFFICE OF INSPECTOR GENERAL



PLANNING FOR AND MEASURING OFFICE OF INSPECTOR GENERAL RESULTS

FY 2003

ANNUAL PERFORMANCE REPORT

FY 2004

ANNUAL PERFORMANCE PLAN

Inspector General's Message

We are pleased to present the Office of Inspector General's (OIG) combined Fiscal Year (FY) 2003 Performance Report and FY 2004 Performance Plan.

During this period, we identified and reported on opportunities to improve the Department of Energy's program performance, enhance accountability, accelerate cost savings, and return hard dollars to the Federal Government. In so doing, we served to help the Department achieve the goals of the Government Performance and Results Act.

To assist Departmental efforts, including those of the National Nuclear Security Administration, to improve the effectiveness of programs and operations, the OIG targets its resources on the Department's highest priorities and most pressing issues. During FY 2003, for example, we devoted considerable resources to assist the Department in achieving its overarching goal of protecting our national and economic security, specifically, related to Homeland Security. We provided Department managers with a series of recommendations for positive change involving domestic threat response and protection, nonproliferation, site security, and protective forces preparedness.

Further, our performance reviews have resulted in the identification of programmatic economies and efficiencies representing millions of dollars in potential savings to the Department and U.S. taxpayers.

We look forward to addressing future challenges facing the Department and will continue to evaluate program performance and accountability in critical areas central to the President's Management Agenda and to the Secretary's priorities.

A handwritten signature in blue ink, reading "Greg Friedman". The signature is fluid and cursive, with the first name "Greg" and last name "Friedman" clearly distinguishable.

Gregory H. Friedman
Inspector General

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Our Vision, Mission, and Goals

Our Vision

To be a highly effective organization that promotes positive change by identifying opportunities for improvements in the performance and efficiency of the Department's programs and operations.

Our Mission

Promote the effective, efficient, and economical operation of the Department of Energy, including the National Nuclear Security Administration, through audits, investigations, inspections, and special reviews to detect and prevent waste, fraud, abuse, and violations of law.

Our Strategic Goal

Operate a robust review program and provide timely performance information and recommendations to facilitate the Department's efforts to:

- 1. Implement the President's Management Agenda;*
- 2. Resolve management challenges;*
- 3. Execute the Secretary's priorities; and,*
- 4. Ensure the integrity of the Federal and contractor workforce*

while ensuring that the OIG completes statutory mandates, recovers monies, and provides opportunities for savings.

Goal 1

Promote the Management Agendas of the President, Secretary and Congress.

Goal 2

Improve economy and efficiency and reduce waste, fraud, and abuse within the Department.

Goal 3

Support the Taxpayer.

Our Relationship with the Department of Energy

The Department contributes to the future of the Nation by ensuring energy security, maintaining the safety and reliability of the nuclear stockpile, cleaning up the environment from the legacy of the Cold War, and developing innovations in science and technology.

The Department has four **strategic goals** toward achieving its mission and seven long-term, general goals to implement the strategic goals:

STRATEGIC GOALS	GENERAL GOALS
Defense Strategic Goal: To protect our national security by applying advanced science and nuclear technology to the Nation's defense.	Goal 1. NUCLEAR WEAPONS STEWARDSHIP: Ensure that our nuclear weapons continue to serve their essential deterrence role by maintaining and enhancing safety, security, and reliability of the U.S. nuclear weapons stockpile.
	Goal 2. NUCLEAR NONPROLIFERATION: Provide technical leadership to limit or prevent the spread of materials, technology, and expertise relating to weapons of mass destruction worldwide; and eliminate or secure inventories of surplus materials and infrastructure usable for nuclear weapons.
	Goal 3. NAVAL REACTORS: Provide the Navy with safe, militarily effective nuclear propulsion plants and ensure their continued safe and reliable operation.
Energy Strategic Goal: To protect our national and economic security by promoting a diverse supply and delivery of reliable, affordable, and environmentally sound energy.	Goal 4. ENERGY SECURITY: Improve energy security by developing technologies that foster a diverse supply of reliable, affordable, and environmentally sound energy by providing for reliable delivery of energy, guarding against energy emergencies, exploring advanced technologies that make a fundamental improvement in our mix of energy options, and improving energy efficiency.
Science Strategic Goal: To protect our national and economic security by providing world-class scientific research capacity and advancing scientific knowledge.	Goal 5. WORLD-CLASS SCIENTIFIC RESEARCH CAPACITY: Provide world-class scientific research capacity needed to: ensure the success of Department missions in national and energy security; advance the frontiers of knowledge in physical sciences and areas of biological, medical, environmental, and computational sciences; or provide world-class research facilities for the Nation's science enterprise.
Environmental Strategic Goal: To protect the environment by providing a responsible resolution to the environmental legacy of the Cold War and by providing for the permanent disposal of the Nation's high-level radioactive waste.	Goal 6. ENVIRONMENTAL MANAGEMENT: Accelerate cleanup of nuclear weapons manufacturing and testing sites, completing cleanup of 108 contaminated sites by 2025.
	Goal 7. NUCLEAR WASTE: License and construct a permanent repository for nuclear waste at Yucca Mountain and begin acceptance of waste by 2010.

The Department's strategic and general goals will be accomplished not only through the efforts of the major program offices in the Department but with additional effort from staff offices that support the programs in carrying out the mission.

The OIG plays a significant role in helping the Department in this effort. Through audits, investigations, inspections, and special inquiries, the OIG makes recommendations to improve the Department's programs and operations and continually assesses the Department's progress in implementing these recommendations.

The OIG's overarching strategic goal supports the President's Management Agenda, the Secretary's mission priorities as well as the OIG-identified management challenges.

***President's Management
Agenda Initiatives:***

- *Strategic management of human capital;*
- *Competitive sourcing;*
- *Improved financial performance;*
- *Expanded electronic government; and,*
- *Budget and performance integration.*

***The Secretary of Energy's
Mission Priorities:***

- *Promote energy conservation;*
- *Modernize the energy infrastructure;*
- *Increase energy supplies;*
- *Protect the environment; and,*
- *Increase our Nation's energy security.*

Management Challenges

Pursuant to the Reports Consolidation Act of 2000, the OIG identifies annually the most serious management and performance challenges facing the Department. This effort includes an assessment of the Department's progress in addressing each challenge area. Many of the OIG-identified challenges parallel the Department's mission priorities and goals.

During FY 2003, the OIG refined its analysis by distinguishing between mission-related areas with inherent management risks from areas in which the OIG has identified specific internal control weaknesses. In addition, the OIG developed a "watch list" that includes management challenges from previous years for which the Department has initiated corrective actions sufficient to reduce associated risks and includes emerging areas of concern that could evolve into critical issues.

The following are the most serious challenges that the Department needs to address:

Mission-Related Challenges

Environmental Cleanup
National Security
Stockpile Stewardship

Internal Control Weaknesses

Contract Administration
Information Technology
Project Management

The management challenge areas of Performance Management and Worker and Community Safety were moved to the watch list because sufficient progress was made since they were reported last year. The OIG added the challenge area of Energy Supply to the watch list as an emerging issue that could become significant in the future.

Our Responsibilities and Authorities

The Inspector General Act of 1978, as amended, requires the OIG to:

- Conduct independent and objective audits, investigations, inspections, and special inquiries;
- Promote economy, efficiency, and effectiveness;
- Prevent and detect waste, fraud, and abuse;
- Review pending legislation and regulations; and,
- Keep the Secretary and Congress fully and currently informed.

The OIG also performs a number of functions mandated by other statutes, Executive orders, and regulations.

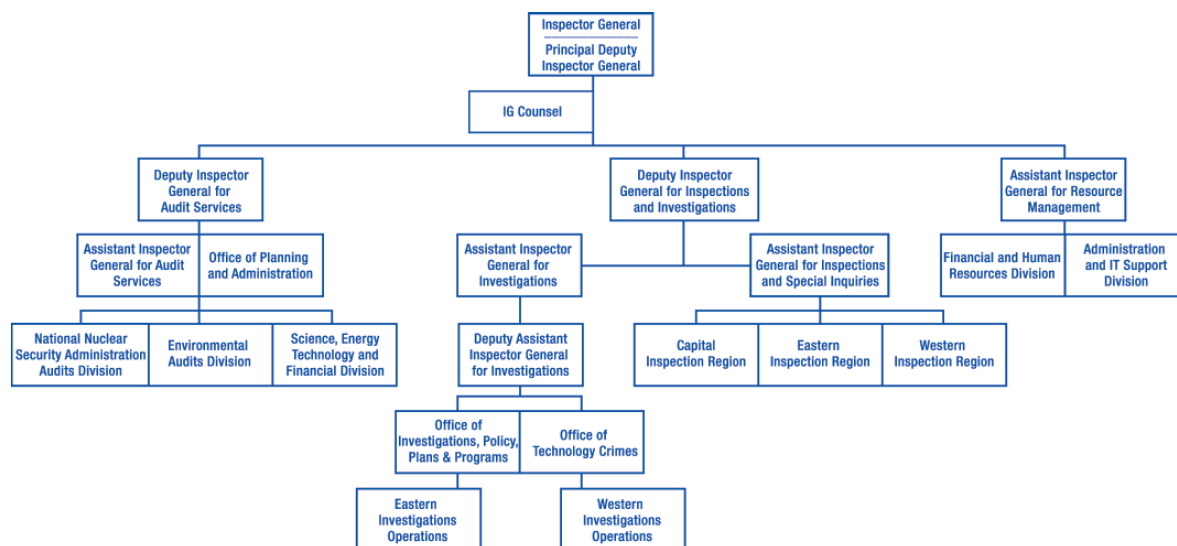
Other Mandates

- *Government Management Reform Act*
- *Government Information Security Reform Act*
- *Federal Information Security Management Act*
- *Government Performance and Results Act*
- *Executive Order 12863, President's Foreign Intelligence Advisory Board*
- *Executive Order 12333, United States Intelligence Activities*
- *National Defense Authorization Act for Fiscal Year 2000*

Our Organizational Structure

The OIG is organized into three major functional areas and a corporate support office:

- *Office of Audit Services*
- *Office of Investigations*
- *Office of Inspections and Special Inquiries*
- *Office of Resource Management*



OIG offices are located at key Department sites around the Nation.



LOCATION OF OIG FIELD OFFICES



Our FY 2003 Accomplishments

This section describes the OIG's achievements during FY 2003. The OIG measures its achievements against the long-term goals and annual goals as set forth in the OIG's planning documents. During FY 2003, the OIG successfully completed its FY 2003 strategies and met the performance plan goals. In most instances, the OIG exceeded its goals. The following are the specific results:

Goal 1

Promote the Management Agendas of the President, Secretary, and Congress

OBJECTIVE 1:

A positive change is made in the Department relating to the implementation of the initiatives in the President's Management Agenda, the Secretary's Mission Priorities, and the OIG-identified Management Challenges.

STRATEGY:

Conduct reviews as outlined in the OIG annual plan relating to: (1) the President's Management Agenda initiatives; (2) the Secretary's Mission Priorities; and (3) the OIG-identified Management Challenges. Specifically:

- Complete reviews that address every President's, Secretary's, and OIG identified initiative, priority, and/or challenge as identified in FY 2003 by 2005.
- Conduct a review within 1 year of new initiatives and priorities that the Department has initiated.

ACCOMPLISHMENTS:

The OIG has made substantial progress in conducting reviews that address every President's Management Agenda initiative; the Secretary's mission priorities; and the OIG-identified management challenges. During FY 2003, the OIG devoted considerable resources to conduct a total of 87 reviews that addressed these critical areas. The OIG anticipates that by 2005 it will achieve this strategy.

During FY 2003, the OIG did not conduct any reviews on new initiatives and priorities initiated by the Department.

Goal 2

Improve economy and efficiency and reduce waste, fraud, and abuse within the Department

OBJECTIVE 2:

OIG efforts are concentrated on issues that have the greatest impact and usefulness to the Department.

STRATEGIES:

- Ensure that every performance review includes an analysis of program accomplishments and the use of metrics to measure results.
- Ensure at least 50 percent of all performance audits include recommendations leading to demonstrable cost savings, program efficiencies and/or funds put to better use.
- Complete five follow-up reviews annually from FYs 2003 to 2007 to determine the status and efficacy of corrective actions.
- Complete an annual risk-based programmatic assessment that considers OIG institutional knowledge, past program performance, funding levels, Presidential, Secretarial, and congressional concerns, as well as input from Department program managers.
- Ensure that each year 80 percent of all planned performance audits address high-risk areas as identified in the OIG annual risk-based programmatic assessments.
- Strive for the Department to accept 75 percent of review recommendations.

ACCOMPLISHMENTS:

The OIG focused its planning efforts to ensure that each performance review completed during the reporting period included an analysis of program accomplishments and the use of metrics to measure results or documented the reason that an analysis was not appropriate or required. The OIG assisted the Department in analyzing the operation of various programs to determine whether those programs were being effectively measured. For example, an inspection conducted of a site's controls over shock sensitive chemicals found that, although the site had a

performance measure that included provisions for an annual safety walk-through, the safety walk-through procedures did not specifically include shock sensitive chemicals.

For the performance audit reports issued, 95 percent included demonstrable cost savings, program efficiencies, and/or funds put to better use for a total amount in excess of \$540 million. For example, the audit of “Beryllium Oxide Operations at the Y-12 National Security Complex,” DOE/IG-0595, determined that the Department had not fully considered all viable alternatives to beryllium oxide operations. Specifically, materials other than beryllium may be capable of performing the same function without the harmful health effects. As a result of the audit, NNSA agreed to pursue further research of substitute materials and has decided not to build a \$250 million special materials complex as planned.

Eight of the 59 performance audits completed were follow-up reviews to determine the status and efficacy of corrective actions.

Conducting risk assessments and the development of audit profiles is fundamental to the annual audit planning process. The OIG considers all major contractor sites to be high risk. Other considerations include OIG institutional knowledge; past program performance; funding levels; and Presidential, Secretarial, and congressional concerns. In FY 2003, the OIG completed risk-based programmatic assessments in the environmental, national nuclear security, science, energy, and technology program areas. These risk assessments resulted in the identification of significant auditable entities at various Department locations.

Another part of the OIG’s audit planning process includes input from Department management, other interested parties, and the OIG staff. In FY 2003, the OIG planned to start 81 performance audits, of which 95 percent addressed high-risk areas as identified in the OIG annual risk-based programmatic assessments. In addition, the OIG also conducted audits in response to time-sensitive and complex reviews for the Secretary or Congress. For example, the OIG completed a review at the Los Alamos National Laboratory (LANL) to determine the allowability of the \$5.2 billion charged to the contract for the last three fiscal years and to evaluate relevant controls. The review questioned the allowability of \$14.6 million in costs claimed and identified a number of internal control weaknesses that contributed to an environment where questionable costs could be incurred and claimed.

In FY 2003, the OIG issued 87 audit reports with 304 audit recommendations. The Department concurred with 88 percent of the audit recommendations. In addition, the OIG issued 31 inspection reports with 61 recommendations. The Department concurred with 58 of the inspection recommendations, for a 95 percent acceptance rate.

The following are examples of positive outcomes resulting from OIG recommendations.

- After an OIG audit of the management of the Department's protective force program, the Department implemented a number of reforms designed to increase the cost effectiveness of its security force. The OIG had noted that the Department faced a number of challenges that could adversely affect the program such as long delays associated with granting clearances for newly employed protective force officers; significant increases in unscheduled overtime costs; morale and potential retention problems; and operational vulnerabilities associated with unscheduled work stoppages.
- LANL implemented a desktop procedure for the purchase, receipt, database entry, inventory, and transfer or disposal of all firearms. This action should result in enhanced firearms inventory controls.
- The Office of Environmental Management acted to enhance key project management procedures after the OIG determined that the Three-Mile Island fuel project exceeded cost expectations by \$18 million and the transuranic waste project is expected to exceed cost expectations by \$150 million. Because of the overruns, the Department has had to cancel, defer, or reduce the scope of other mission-critical work at the Idaho National Engineering and Environmental Laboratory.
- As a result of an OIG inspection of the handling of shock sensitive chemicals at the Department's Ames Laboratory, additional control measures have been added to the chemical inventory and tracking procedures, including a life cycle management system. In addition, immediately following the OIG fieldwork, management assembled a team to conduct a review of the chemical holdings in all Ames Laboratory occupied space, and a qualified vendor was subsequently used to assist with removal and disposal of the improperly labeled/stored chemicals.
- After an OIG audit found that Nevada's personal property transfer practices did not appropriately balance the effort to assist community development with the need to assure that Federal taxpayers received reasonable consideration

for property transferred to the local community reuse organization (CRO), the Department's Office of Worker and Community Transition issued a memorandum providing new operating guidance for future transfers of personal property to CROs. In addition, NNSA agreed to better emphasize that only unneeded property is to be transferred to CROs and that reasonable consideration must be received for the transfers of property to the CROs. NNSA plans to convene relevant parties to ensure that the term "reasonable consideration," which is critical to this process, be better defined.

- The Savannah River Site took immediate action to correct issues identified during an OIG inspection regarding inventory controls over laptop and desktop computers. Specifically, the computer security database was updated to accurately reflect the location of 14 classified desktop computers that had been moved and the property management database was updated to reflect that 14 excess computers were no longer at the Site.

OBJECTIVE 3:

The Department has timely information so that prompt action can be taken to improve program performance.

STRATEGIES:

- Issue 80 percent of audit reports no later than 60 days following receipt of management comments.
- Complete 75 percent of special inquiries within 60 days.
- Ensure that 90 percent of administrative reports to management are issued within 60 days of resolution of criminal and civil investigations.
- Complete follow-up inspections and special inquiries as identified in the annual plans within 90 days of initiation.
- Complete the fieldwork for 80 percent of inspections within 90 days of initiation.

ACCOMPLISHMENTS:

For the audits completed in FY 2003, 95 percent were issued within 60 days following receipt of management comments.

The OIG received responses to 47 recommendations made in investigative reports to management during FY 2003, with a 97 percent compliance rate. Department management took administrative action against 24 individuals as a result of OIG Administrative Reports to Management and issued 4 debarments of contractors and individuals. One hundred percent of administrative reports to management were issued within 60 days of resolution of the criminal and civil action.

Examples of successes resulting from OIG investigative recommendations to management include the following:

- Three subjects were debarred for 3 years from Government contracting. In one case, a Department contractor and vendor fraudulently billed the Government \$500,000 for computer training. In another case, a Department employee conspired with a subcontractor employee to submit false travel and lodging claims.
- A contractor employee was terminated and subsequently sentenced to 27 months in Federal prison and ordered to register as a sex offender for possession of child pornography on a Government computer.
- Management took action to correct computer security training and accountability deficiencies after an OIG investigation revealed weaknesses relating to computer access and assignment of passwords at a national laboratory.

Seventy-five percent of the special inquiries conducted during the reporting period were completed within 60 days. An example of a special inquiry that received widespread national and local media interest was a review of allegations that management of LANL was engaged in a deliberate cover-up of illegal activity and security concerns. The OIG review disclosed a series of actions by Laboratory officials that obscured serious property and procurement management problems and weakened relevant internal controls. These actions created an atmosphere in which LANL employees were discouraged from, or had reason to believe they were discouraged from, raising concerns to appropriate authorities. In short, management's actions resulted in delayed identification and resolution of the underlying property and procurement weaknesses and related security concerns.

The OIG conducted one follow-up inspection during the reporting period, and it was completed within 90 days. There were no follow-up special inquiries during the period. In addition, the OIG completed fieldwork on 96 percent of its inspections within 90 days.

OBJECTIVE 4:

Financial management and cyber security are strengthened through completion of mandatory reviews in accordance with Office of Management and Budget and other applicable requirements.

STRATEGIES:

- Complete annually the Department's consolidated financial statement audits to determine whether the financial statements are free from material misstatement.
- Review the Department's classified and unclassified information security system programs in conjunction with the financial statement audit.
- Complete at least 10 "Statement of Costs Incurred and Claimed" audits annually to assess internal controls over costs claimed by the Department's major contractors.

ACCOMPLISHMENTS:

The OIG completed the audit of the Department's FY 2002 consolidated financial statements and rendered an unqualified (clean) opinion on January 21, 2003, ahead of the February 1, 2003, statutory due date. The review included an opinion on the system of internal controls and compliance with laws and regulations. This enabled Department managers, congressional decision makers, and other customers to use and assess the fairness of the Department's financial statements in a timely manner.

In conjunction with the financial statement audit, the OIG completed reviews of the Department's classified and unclassified information security systems as required by the Federal Information Security Management Act (FISMA) of 2002. The OIG noted that the Department had made improvements; however, problems were identified that continue to exist in several critical areas.

Finally, the OIG completed 18 Statement of Costs Incurred and Claimed audits to certify that contractors claim only costs allowed under contract and reimbursed by the Department.

OBJECTIVE 5:

Investigative efforts are concentrated on allegations of criminal and civil violations of law that adversely impact major Department programs and operations, with emphasis on maximizing the recovery of public resources and deterring future wrongdoing.

STRATEGIES:

- Achieve an annual acceptance rate of 70 percent for cases presented for prosecutorial consideration.
- Ensure that 75 percent of all cases opened focus on key areas of Department vulnerability, specifically procurement and grant fraud, environmental violations, qui tams, or computer crimes.

ACCOMPLISHMENTS:

The OIG obtained judicial and/or administrative actions on 41 percent of all cases investigated during the fiscal year and achieved a prosecutorial acceptance rate of 71 percent. The OIG obtained 26 criminal indictments and 29 convictions, pretrial diversions, and civil judgments. Seventy-seven percent of the cases opened in FY 2003 focused on key areas of vulnerability in the Department. Examples of successes as a result of OIG investigations include:

- Pursuant to a civil judgment, a former Department subcontractor was ordered to pay \$1,030,000 for filing false coal test invoices and reports.
- A national laboratory procurement official pled guilty and was sentenced to 1 year incarceration and 3 years supervised release and ordered to pay \$12,500 in restitution and a \$3,000 fine. The procurement official inappropriately accepted cash and other items of value from a laboratory vendor.
- A Department employee was ordered to pay treble damages in the amount of \$8,494 and was assessed an additional \$52,500 in civil penalties. The Department contractor conspired with a subcontractor employee to submit false Government travel and lodging claims.

OBJECTIVE 6:

Effective networks are established through coordination with other law enforcement agencies in order to identify areas that are most vulnerable to waste, fraud, and abuse.

STRATEGY:

- Ensure at least 25 percent of all open cases are joint agency/task force investigations with external law enforcement agencies, such as the Federal Bureau of Investigation and other OIGs.

ACCOMPLISHMENTS:

The OIG opened 162 cases during FY 2003, 27 percent of which were joint/task force agency investigations. The following are examples of successes from task force/joint agency investigations:

- An individual, not associated with the Department or its contractors, pled guilty after he stole and then forged Department security badges to facilitate the cashing of fraudulent checks. The subject was sentenced to 5 months incarceration, 4 months home confinement, and 3 years supervised release.
- A subcontractor employee paid a fine of \$20,000 and \$45,000 in restitution for providing items of value to a prime contractor employee in return for favorable treatment in the award of contracts. The subcontractor was sentenced to 4 months incarceration, 4 months home detention and 3 years probation.
- A contractor employee pled guilty and paid \$51,000 in restitution to the Government for submitting false travel vouchers over a 7-year period.

OBJECTIVE 7:

Internal and external customers have a heightened awareness of potential fraud.

STRATEGY:

- Provide 20 fraud awareness briefings annually to Department and contractor employees and managers.

ACCOMPLISHMENTS:

OIG investigative personnel conducted 27 technology crimes and 34 fraud awareness briefings in FY 2003. These presentations are designed to discuss the process for reporting fraud, waste, and abuse to the OIG and to highlight priorities and initiatives of the Office of Investigations. The following are examples of successes of cases initiated as a result of referrals from Department and contractor employees and managers.

- The Department, in coordination with the Department of Justice (DOJ), disallowed and withheld \$251,800 from the prime contractor at a Department facility for improperly billing employee training.
- A student intern at a national laboratory pled guilty to theft and destruction of a Government laptop and agreed to reimburse the Government \$10,000.
- A contractor employee pled guilty and paid restitution of \$13,800 for inappropriate use of a Government-sponsored purchase card.
- A contractor procurement official pled guilty to bribery and was sentenced to 1 year and 1 day incarceration and 3 years supervised release, and was ordered to pay \$12,500 restitution and a \$3,000 fine.

Goal 3

Support the Taxpayer

OBJECTIVE 8:

The Department and the public have an effective and efficient mechanism to report waste, fraud, and abuse.

STRATEGIES:

- Operate the OIG Hotline in a manner that ensures at least 80 percent of Hotline complaints warranting further action begin processing within 7 days of receipt.
- Forward 85 percent of the complaints identified for referral to the Department within 14 days of initiation of the case.

ACCOMPLISHMENTS

Ninety percent of the Hotline complaints warranting further action were processed within one week of receipt, and 99 percent of complaints identified for referral were made to the Department within 14 days of initiation of the case. During the year, the OIG Hotline received 1162 complaints/allegations; 475 of those items were predicated; and 230 matters were referred to management, with 64 requesting a response.

OBJECTIVE 9:

The public is aware of OIG reports.

STRATEGY:

- Ensure that all OIG public reports are accessible via the Internet within 3 working days of submission to the Secretary.

ACCOMPLISHMENTS:

The OIG successfully achieved its strategy of ensuring that all OIG public reports are accessible via the Internet. During FY 2003, 58 reports were posted on the internet within 3 days of submission to the Secretary.

Budget and Performance Integration

OFFICE	APPROPRIATION FOR FY 2004 (IN MILLIONS)
Office of Inspector General	\$39.5

The OIG has a budget of \$39.5 million, with 249 Federal employees to assist the Department in carrying out its vital energy and national security mission. During FY 2003, the OIG continued to progress in the full implementation of budget and performance integration by linking budget costs to performance (see matrix on page 19). This has helped to improve the OIG methodology for assessing the costs of providing services to the Department and provides the OIG with a greater opportunity to make more efficient and effective budget and performance planning decisions.

Below is the current matrix reflecting the OIG's FY 2003 budget and performance progress.

DEPARTMENT BUSINESS LINES	OUTCOMES	OUTPUTS		
		Target 2003 Reviews*	Estimated FY 2003 Cost (\$ in millions)	Actual FY 2003 Costs
National Security	<ul style="list-style-type: none"> Promote the safety and reliability of the nuclear stockpile. Assess the Department's progress in addressing and resolving the threat from weapons of mass destruction. Promote effective intelligence and counterintelligence programs. Promote security and safety within Department programs. 			
		78	\$11,626,000	\$11,953,631
Environmental Management	<ul style="list-style-type: none"> Promote implementing environmental cleanup faster and cheaper. Contribute to the success of the Department completing the characterization of the Yucca Mountain site for permanent storage of the Nation's spent nuclear fuel. Assess the Department's management of uranium enrichment and civilian nuclear power development. 			
		20	\$3,100,000	\$5,825,338
Energy/Science	<ul style="list-style-type: none"> Contribute to the protection of the critical energy infrastructure. Promote the implementation of the President's National Energy Plan. Assist in directing research and development that directly relates to and supports the mission of the Department and aid in ensuring greater application of mature technologies. 			
		16	\$2,400,000	\$3,488,151
Corporate Management	<ul style="list-style-type: none"> Contribute to the effectiveness of the Department's financial management. Assure the American public that the Department is fiscally responsible in carrying out its mission. Promote effective contract management. Foster responsiveness to complaints and allegations from the Department and other OIG customers. Ensure the Department has metrics in place and uses them to manage its programs and activities effectively. Promote the safety and health of the Department's workforce. 			
		90	\$20,300,000	\$16,158,880
FY 2003 Total		204		\$37,426,000

*Note: Much of the work performed by the OIG crosses multiple outcomes and business lines. This is especially true for the contract management reviews. As such, the expenses for national security, environmental management and energy/science may be underrepresented and reflected within the outcome, "promote effective contract management."

Strategic Management of Human Capital

Strategic Management of Human Capital continues to be one of the most significant challenges facing the Federal Government, including the OIG organization. The OIG faces a potential loss of 23 percent of OIG staff to retirement over the next 5 years. In order to overcome the negative impact of this scenario, including the obvious loss of institutional knowledge, the OIG will continue to implement a variety of Human Capital Management improvement initiatives to help recruit, retain, and develop talent, diversity, and leadership in its workforce.

To maximize resources and successfully accomplish mission objectives, the OIG makes use of all available tools when attempting to hire and retain a diverse, highly skilled workforce. Examples of these tools include extensive use of career and college job fairs; attendance at minority conferences sponsored by organizations such as the Federal Law Enforcement Officers Association, the National Organization for Black Law Enforcement Officers, Women in Federal Law Enforcement, High Technology Crime Investigation Association, and others; use of recruitment and relocation bonuses; training plans allowing for accelerated promotions for entry-level hires; and paying for training preparation courses for Certified Public Accountants and Certified Fraud Examiners. Additional flexibilities to be implemented include paying for the cost of credentials and licenses, referral bonuses, increased use of telecommuting, and limited payment of student loans based on the availability of funds.

In order to strengthen and leverage its management of human capital, the OIG recently completed a self-assessment using the new Human Capital Management Improvement Standards of Success measures developed by the Office of Personnel Management (OPM). These measures will serve as a roadmap and provide a baseline for measuring the OIG's effectiveness and progress in the areas of: strategic alignment of human capital with its mission, goals, and organizational objectives; workforce planning and deployment; leadership and diversity; knowledge management; performance culture; and talent. Additionally, in FY 2003 the OIG revised its Workforce Plan with specific actions and milestones to address its human capital issues, including the continuation of organizational restructuring efforts that align with the Department's shift in priorities and missions.

Other notable accomplishments in the area of human capital management include implementation of the Department's performance management system for the Senior Executive Service (SES), which ties individual performance to the accomplishment of program and organizational goals and performance. The OIG also implemented the system for non-SES managers and supervisors and will cascade to team leaders in the upcoming performance period.

Recently, the OIG contacted the OPM to conduct an Organizational Assessment Survey of employees during FY 2004. Results of this survey should help the office fine tune its human capital efforts and identify any new programs required to enhance organizational efficiency and effectiveness.

Since diversity is a key component of this office's recruitment and retention process, efforts to develop relationships with colleges and universities, particularly those that have significant minority enrollments, will continue.

To meet its goals, the OIG will continue in FY 2004 and beyond to aggressively implement and update, as necessary, human capital management initiatives described in its Workforce Plan. Specifically, the OIG will continue to: (1) restrict most new hiring to front line positions, streamline operations, and reduce the number of managers and organizational layers, (2) establish effective learning tools to train, develop and retain employees, (3) refine its succession planning efforts for leadership recruitment, (4) expand the use of automated human resources systems, (5) integrate human capital management outcomes with all planning and budget documents, (6) make use of all recruitment flexibilities to effectively staff vacant positions with the right skills mix, including partnering with universities to utilize the Student Career Experience authority; and (7) develop and implement a knowledge management plan to improve the retrieval and dissemination of institutional knowledge across the organization.

Critical Outside Influences

The achievement of OIG goals and objectives is greatly impacted by numerous external factors. Specifically, these factors could create a significant impact on workloads, formulating budgets, assessing organizational structure, evaluating procedures, and establishing priorities. Some examples include:

Secretarial/Congressional Priorities. Unplanned, resource intensive but nevertheless important, quick turnaround requests by the Secretary and Congress could impact on planned work and thereby affect progress towards achieving OIG goals and objectives.

New Statutory Requirements. New legislative mandates and unfunded audit, investigative, inspection, or inquiry requirements could have a direct impact on the OIG annual performance plan. Specifically, new statutory requirements could divert resources away from other critical areas, including evaluating the performance of the Department's programs and operations as they relate to the President's Management Agenda, the Secretary's mission priorities, and the most serious management challenges facing the Department. The OIG goals and objectives are built around many of these areas.

Other Factors. In today's environment, the OIG continues to face a number of unexpected critical issues that may seriously impact the OIG's achievement of its strategic goals. New issues and a shift in congressional and secretarial priorities may cause the OIG to adjust its strategic planning efforts.

In FY 2004, the OIG will increase its focus on areas of concern relating to national security, environmental cleanup, and procurement. In response to congressional requests, the OIG created a purchase card task force which is tasked to conduct ongoing reviews of purchase card activity at the Department.

Objectives of the purchase card task force are to:

- Identify potentially fraudulent and questionable purchases using the Government purchase card,
- Assist the Department in promoting the effective and economical management and operation of its purchase card program through identifying areas particularly vulnerable to fraud, waste and abuse, and
- Identify potential instances of lack of adherence to Department prescribed policies, procedures and regulations.

FY 2004 Annual Performance Plan

This section of the Plan presents the OIG's planned FY 2004 activities and a schedule of planned projects in Appendix A. In an effort to improve OIG performance planning efforts during FY 2003, the OIG conducted a comprehensive review of its current goals, objectives, and strategies and made several adjustments for FY 2004. These adjustments were necessary due to recent OIG organizational changes and the need to continually improve how the OIG measures its success in accomplishing its planning goals, objectives, and strategies.

During FY 2004, the OIG will continue to assist the Department in meeting the challenges set forth in the President's Management Reform Agenda, the Secretary's mission priorities, and the most significant OIG-identified management challenges facing the Department.

The following are descriptions of the work the OIG program offices anticipate conducting during FY 2004:

Office of Audit Services

The Office of Audit Services performs all audit activities for the Department, including the NNSA. The office provides reliable and credible financial and performance information to senior management, the Congress, and the taxpayers. The office is organizationally aligned with the Department's critical missions in national security; environmental quality; and energy, science, and technology. This organizational structure helps to ensure that audit work provides comprehensive coverage over Department organizations, programs and operations.

The office uses a risk-based process for identifying areas for audit coverage. Generally, audits are conducted to address projects or programs with the greatest vulnerability. The assessment process considers budget dollars, the President's Management Reform Agenda, the Secretary's mission priorities and the Department's management challenges.

The Office of Audit Services has scheduled 80 performance audits to start in FY 2004. Often non-discretionary taskings impact on workload demands, and it is sometimes necessary to delay, postpone, or cancel planned audits to accommodate these demands. The following is a summary of audits scheduled to begin in FY 2004, grouped by the Department's business lines. The planned audit workload is summarized later in this plan.

National Security

For almost 50 years, the Department and its predecessor agencies designed, built and tested nuclear weapons, which helped win the Cold War. Profound changes in U.S. national security policies have occurred in the post-Cold War era, but the commitment to a secure national defense remains as strong as ever. Recent terrorist activities have prompted the Department to consider new security threats and to identify and implement new security measures on an evolving basis.

The Department's most critical security challenge, met by the Stockpile Stewardship Program, is to maintain the safety, security, reliability, and performance of the aging nuclear weapons in the Nation's stockpile in the absence of underground nuclear testing. The Department is required, based on activities conducted under the Stockpile Stewardship Program, to annually certify to the President that the nuclear weapons stockpile is, in fact, safe and reliable and that underground nuclear testing does not need to be resumed. Ultimately, the program's success is dependent upon developing an unprecedented set of scientific tools to better understand nuclear weapons, enhancing stockpile surveillance capabilities, and in the process, extending the life of the weapons that comprise the stockpile.

To further promote the safety and reliability of the nuclear stockpile, the following audits will determine whether:

- NNSA's plan to utilize excess capacity at the Device Assembly Facility is adequate. (A04AL001)
- NNSA's limited life component exchange program has sufficient capacity to provide all components needed to meet stockpile requirements. (A04AL002)
- The Pantex Plant's Stockpile Management Restructuring Initiative will accomplish its intended results. (A04AL003)
- Pit requirements have been established and validated. (A04AL005)
- NNSA has addressed prior internal control weaknesses that adversely affected stockpile readiness. (A04DC007)
- The required parts and materials necessary for a hydrotest shot are available. (A04LA014)
- NNSA will be able to complete the construction of the Terascale Simulation Facility within scope, schedule, and cost parameters. (A04LL016)
- NNSA is achieving the goals and objectives of the Advanced Design and Production Technologies campaign. (A04LL017)
- The Atlas Pulse Power Experimental Facility is operational and meeting its program objectives. (A04LV018)
- The Department's modernization plan for the Y-12 National Security Complex is the most efficient and effective path forward. (A04YT023)
- The planned scope of the chemistry and Metallurgy Building Replacement Project is appropriate for current national security needs. (A04YT027)

To assess the Department's progress in addressing and resolving the threat from weapons of mass destruction, the following audits will determine whether:

- The Materials Protection, Control and Accounting Program is meeting its revised goal for completing physical protection upgrades of Russia's weapons and weapons-usable material storage facilities. (A04AL006)
- It is cost effective to relocate the Los Alamos Technical Area 18 to the Nevada Test Site. (A04LA012)
- Nuclear Nonproliferation programs and activities at the Y-12 National Security Complex are effective. (A04YT025)

To promote security and safety within Department programs, the following audits will determine whether:

- Secure Transportation Asset is able to meet projected Department and other customer requirements. (A04AL004)
- The Department has met its goals and objectives related to high explosive manufacturing. (A04DC008)
- The Department has the infrastructure to meet reimbursable work requirements for the Department of Homeland Security. (A04DC009)
- NNSA can account for classified information. (A04DC010)
- The maintenance program at the Y-12 National Security Complex is operating in an efficient and effective manner. (A04YT028)
- Effective safeguards and security controls have been established and implemented at the Office of Science. (A04NE005)
- The Department is efficiently and effectively managing the storage, processing, isotope recovery, and disposal of its uranium-233 inventory. (A04NE006)
- The Extended Common Integrated Technology Environment (eXCITE) services initiative is being effectively managed and is adequately reducing the Department's Information Technology costs. (A04TG026)

Environmental Management

The Department faces significant environmental challenges at its facilities due to past operations that left a legacy of hazardous and radioactive wastes and contaminated facilities that supported nuclear weapons research, production, and testing activities. The cleanup of this waste has presented the Department with some of the most technically challenging and complex work of any environmental program in the world.

In FY 2002, the Department completed a Top-to-Bottom review of its Environmental Management program and identified opportunities for achieving a better and faster cleanup. The Department developed an aggressive plan to change its cleanup approach and future milestones. A substantial number of new initiatives have been implemented that represent a virtual overhaul of its strategy for cleaning up legacy nuclear waste sites and closing several key sites by 2006.

To promote implementing an accelerated and less costly environmental cleanup, the following audits will determine whether:

- Environmental Management's actions are consistent with National Environmental Policy Act (NEPA) requirements at the Idaho National Laboratory. (A04ID006)
- The national Transuranic Waste Management Plan accurately reflects the volume of waste that generator sites expect to ship to the WIPP. (A04ID007)
- The Department has implemented a risk-based prioritization of remedial action at the Portsmouth Gaseous Diffusion Plant. (A04OR011)
- The Department's Cleanup Reform projects are meeting their performance targets and reducing risk to the public, employees, and environment. (A04OR012)
- The Department's cleanup efforts at LANL are cost-effective and provide the greatest reduction in health and safety risks. (A04OR014)
- The Department's plan to accelerate tank waste retrieval is on schedule and within budget. (A04RL015)
- Planned expenditures within the General Facility component of the Waste Treatment Plant project baselines are necessary and reasonable. (A04RL016)
- The Department's plan to treat some high-level waste as transuranic waste is cost-effective. (A04RL017)
- The Department is loading the optimal volume of sludge waste in each canister produced in the Defense Waste Processing Facility. (A04SR020)
- The Department has developed a safe and cost-effective plan for storing, treating, and disposing of spent nuclear fuel at the Savannah River Site. (A04SR021)
- Environmental Management's plans to shut down F-Canyon and H-Canyon facilities are cost-effective. (A04SR022)
- The Department's pollution prevention program has been effectively implemented and is meeting its Departmentwide and site-specific goals. (A04SC022)

To assess the progress of the Department's effort to complete the characterization of the Yucca Mountain site for permanent storage of the Nation's spent nuclear fuel, the following audits will determine whether:

- The transportation casks program is adequate to meet the waste acceptance schedule. (A04LV019)
- The Office of Civilian Radioactive Waste Management is taking the necessary steps to assure that transportation routes within the State of Nevada will be available to transport waste to Yucca Mountain by 2010. (A04LV021)

To assess the Department's management of uranium enrichment and civilian nuclear power development, the following audits will determine whether:

- The Department has implemented a cost-effective approach for the conversion of its depleted uranium hexafluoride inventory. (A04OR013)
- The Department's Highly Enriched Uranium Blend Down Project is on schedule and within current cost estimates. (A04SR023)
- The Highly Enriched Uranium Transparency Implementation Program is meeting its objective of providing assurance that purchased highly enriched uranium is acquired from Russia's disassembled nuclear weapons. (A04LL015)

Energy/Science

The Department leads the Nation in the effort to develop affordable advanced clean energy for the 21st Century and to accelerate its acceptance and use, both nationally and internationally, by providing cutting-edge research in a broad range of renewable and non-renewable energy sources. As energy demand outpaces supply, the Nation will need to expand its sources of domestic energy production. Volatility in U.S. energy markets over the last few years has demonstrated the need to strengthen the stability of the Nation's energy production and delivery systems as well as ensure the country's energy security. To address these challenges, the Department has five key goals: promote energy conservation; modernize the energy infrastructure; increase energy supplies; protect the environment; and increase the Nation's energy security.

The Department is viewed as one of the premier science organizations in the world. Its goals are to deliver the scientific knowledge and discoveries for the Department's applied missions; advance the frontiers of the physical sciences and areas of the environmental and computational sciences; and provide world-class research facilities and scientific human capital to the Nation's overall science enterprise. The Office of Science is currently developing a new strategic plan that will drive the science vision for the next 10 years, focusing on compelling science of the future, with additional focus on facilities and science management opportunities and challenges.

To contribute to the protection of the critical energy infrastructure, the following audits will determine whether:

- The Power Marketing Administrations are adequately assessing participation in Regional Transmission Organizations. (A04DN005)
- The Isotope Program is capable of meeting customer needs within existing cost constraints while maintaining a necessary infrastructure base. (A04NE007)

- The Strategic Petroleum Reserve information technology systems are being managed in accordance with business and security requirements. (A04TG023)
- The Department's critical monitoring and control systems are effective in controlling the operation of critical facilities, minimizing safety and injury risks, and ensuring the continuity of systems such as those used for power distribution activities. (A04TG029)

To promote the implementation of the President's National Energy Plan, the following audit will determine whether:

- The Department has implemented a strategy for recovering the cost of providing assistance to other Federal agencies, is making effective use of recovered funds, and is ensuring that energy savings payments to contractors are reasonable. (A04PR011)

To assist in directing research and development that directly relate to and support the missions of the Department and aid in ensuring greater application of mature technologies, the following audits will determine whether:

- Idaho National Laboratory implemented prudent business practices when carrying out technology transfer and commercialization activities. (A04ID008)
- The Department's Hydrogen and Freedom Cooperative Automotive Research Programs have established realistic project plans, milestones, and performance measures necessary to meet long-term goals. (A04CH001)
- The Department is managing the U.S. portion of the International Thermonuclear Experimental Reactor (ITER) Project in an efficient and effective manner. (A04PR012)
- The Department has established meaningful and achievable near and mid-term research goals for demonstrating successful carbon sequestration technologies. (A04PT016)
- The peer review process is being implemented in accordance with Departmental Guidance and is used in determining which projects are selected for funding consideration. (A04SC020)
- The proposed Spallation Neutron Source Project expansion is adequately justified. (A04SC021)
- The decentralization of computer network systems on the Oak Ridge Reservation maximizes information technology investment. (A04TG024)
- The Electronic R&D Management Tracking and Reporting Environment (ePME) is achieving its intended goals and meeting the Department's need to report on research and development projects. (A04TG025)

Corporate Management

The Department manages a diverse portfolio of program missions, facilities, and contractor resources over a nationwide complex that includes Headquarters organizations, operations offices, field/site offices, national laboratories, power marketing administrations, and sites dedicated to environmental cleanup. The offices that support the corporate management framework are responsible for supporting the Secretary's initiatives to improve management and accountability, while ensuring the safety, security, and health of the workforce and public.

Some of the challenges the Department faces include:

- *Financial Management*
- *Project Management*
- *Oversight of Contractors*
- *Performance Management*
- *Safety and Security*

To contribute to the effectiveness of the Department's financial management, the following audits will determine whether:

- LANL has implemented effective internal controls. (A04LA011)
- The contributions made to the LANL Foundation are being used for their intended purposes. (A04LA013)
- Changes to the internal control structure at 16 Departmental contractor sites assure that costs claimed by the contractor(s) and reimbursed by the Department were allowable under the contract.

In addition, the following audits will be performed:

- Audit of the Department's Consolidated Financial Statements as of and for the year ended September 30, 2003. (A04FN001)
- Audit of the Federal Energy Regulatory Commission's Financial Statements as of and for the year ended September 30, 2003. (A04FN002)
- Audit of the Isotope Production Distribution Financial Statements as of and for the year ended September 30, 2003. (A04FN003)
- Audit of the Decommissioning and Decontamination Financial Statements as of and for the year ended September 30, 2003. (A04FN004)

To assure the American public that the Department is fiscally responsible in carrying out its mission, the following audits will determine whether:

- The State of Nevada and affected units of local governments used the funds provided by the Nuclear Waste Fund according to the terms in the Nuclear Waste Policy Act and annual appropriations language. (A04LV020)
- The micro-system operations planned for the Kansas City Plant could be more cost-effectively performed at the Sandia National Laboratories. (A04YT024)
- The Department possesses sufficient human capital to fulfill its nuclear stockpile mission at the Y-12 National Security Complex. (A04YT026)
- The Department is reimbursing its contractors for unallowable miscellaneous employee costs. (A04PR010)
- The Office of Fossil Energy has in place the internal controls to ensure accurate reporting of program results. (A04PT015)
- Controls are working effectively and that program and administrative functions are performed in an economic and efficient manner consistent with applicable laws. (A04FF003)
- The Oak Ridge complex narrowband conversion project will meet site requirements (and those intended by the law) and will be accomplished in the most cost effective and efficient manner. (A04TG027)
- The Department has fully developed and implemented enterprise architecture for planning, acquiring, and developing information technology resources. (A04TG030)
- The Department has a coordinated corporate process for retaining and managing legacy information. (A04TG031)

To promote effective contract management, the following audits will determine whether:

- Kaiser-Hill's Request for Equitable Adjustments is justifiable and supportable. (A04DN004)
- Performance based incentives for Nuclear Energy activities at the Idaho National Engineering and Environmental Laboratory have improved performance and reduced costs. (A04ID009)
- Performance incentives in Bechtel's contract promote prompt and economical project completion. (A04RL019)
- Office of Civilian Radioactive Waste Management's performance based incentives for Bechtel SAIC are structured to maximize contractor performance. (A04LV022)

- Cost-sharing partners have adhered to the terms and conditions set forth in research and development solicitations and awards. (A04NE004)
- The Department's prime contractors employed individuals with falsified credentials and whether the Department has paid for employees to obtain such credentials. (A04NE008)
- The Department laboratories: (1) obtained royalties to which they were entitled; (2) properly accounted for royalties and expenses; and, (3) used net royalties in a manner consistent with contract terms and the Department's mission and policy. (A04SC017)
- The Department is appropriately administering grants. (A04SC018)
- The Department ensures that Management and Operating contractors are reimbursed for only allowable and reasonable central office expenses. (A04PR013)
- The Department ensures that consultants at its facilities are justified, properly managed, and have required clearances. (A04PR014)

To ensure the Department has metrics in place and uses them to manage its programs and activities effectively, the following audits will determine whether:

- Bonneville Power Administration is efficiently and effectively meeting the goals of the Fish and Wildlife Program. (A04DN001)
- The Department is adequately preparing to meet its goal of having a contractor post-closure benefits plan in place by mid-2005. (A04DN003)
- The Department is efficiently and effectively operating its instrument calibration laboratories across the complex. (A04ID010)
- Hanford Site's decontamination and decommissioning activities are cost-effective. (A04RL018)
- The Department has implemented performance measures that reflect overall program performance and will assist the Department in improving management of its information technology program. (A04TG028)

To promote the safety and health of the Department's workforce, the following audits will determine whether:

- The Department and its contractors are minimizing beryllium exposure. (A04DN002)
- Brookhaven has taken adequate action to remediate environment, safety and health weaknesses. (A04PR009)
- Departmental program activities have appropriately integrated safeguards and security, safety, quality assurance and environmental requirements into all phases of project management. (A04SC019)

Office of Investigations

The primary function of the Office of Investigations is to conduct investigations into alleged violations of law that impact the Department's programs and operations. The investigations usually focus on the conduct of Departmental personnel, contractors, and others receiving Department funds. Priority is given to suspected violations of criminal and civil statutes, as well as serious administrative misconduct, including the prevention and detection of contract and grant fraud; environmental, health and safety violations; computer crimes; and issues that reflect on the integrity and credibility of Department officials. The office works closely with other law enforcement agencies, as many of the investigations focus on significant criminal enterprises that affect multiple agencies. As the law enforcement component of the OIG, Special Agents work closely with State and Federal prosecutors, and exercise a full range of law enforcement authorities—carry firearms, apply for and execute search warrants, and make arrests.

The office's accomplishments over the past 5 years have resulted in a positive impact—deterring and preventing wrongdoing and improving programs and operations within the Department. Since 1998, the Office of Investigations has referred 144 cases for prosecution, with 111 accepted, for an average acceptance rate of 77 percent. Investigative work has resulted in 76 indictments, 80 convictions, 12 pretrial diversions, and 24 civil actions. The office has issued 83 investigative reports to Department management, with 232 recommendations for positive change. Results include 45 debarments and 48 suspensions of individuals and companies and 104 disciplinary actions against Federal and contractor employees. Other notable outcomes include over \$87 million in recoveries and fines. This represents an average of \$17.4 million per year.

National Program Area Initiative

During FY 2004, the Office of Investigations will continue to move forward aggressively with the *National Program Area Initiative* as a tool for identifying and examining Department programs and operations most vulnerable to fraud, waste and abuse. The program initiative closely correlates with the Department's strategic goals, which will further serve to provide relevant oversight of the Department's efforts to accomplish its goals. The program focuses on four primary areas: (1) contract and grant fraud; (2) environment, safety, and health violations (ES&H); (3) *qui tam* matters; and (4) technology crimes.

Contract and Grant Fraud

A majority of the Department's budget is expended on contracts and grants. Given the continuing potential for significant fraud, in FY 2004, the office will continue to: (1) identify and pursue procurement and grant fraud investigations proactively; (2) prioritize contract and grant fraud investigations with emphasis on cases with a potential high dollar recovery to the Department; (3) work with established contract and grant task forces, and identify opportunities to establish new task forces; and (4) work with the DOJ in delivering Anti-Trust briefings to the Department and its contractors.

ES&H Violations

The Department funds one of the largest environmental cleanup projects in history. The Department has established a goal to accelerate cleanup of 108 contaminated nuclear weapons manufacturing and testing sites by 2025. In light of the commitment of billions of dollars and thousands of contractor and Department employees to the national commitment of environmental cleanup, the office has taken the position that a significant portion of investigative resources should be dedicated to crimes associated with the environmental cleanup. The Office of Investigations will continue its participation in environmental task forces located in multiple states, including New Mexico, Nevada, Colorado, and Tennessee. The office will also: (1) maintain its role in the "Environmental Consortium," a multi-agency effort; (2) work with established ES&H task forces and identify opportunities to establish new task forces; and (3) develop and maintain ES&H contacts in the Department, NNSA and other Government agencies.

Qui Tams

The Office of Investigations continues to work closely with the DOJ Civil Division and local United States Attorney's Offices to actively pursue *qui tam* matters. As of September 30, 2003, the office had 24 *qui tam* investigations involving alleged fraud against the Government in the amount of approximately \$290 million.

In FY 2004, the office will continue to: (1) assist the DOJ in investigating and providing analysis of the *qui tam* cases; (2) adjust resources appropriately to ensure priority *qui tam* cases are being resolved in a timely manner; and (3) identify specific *qui tam* training for Investigations personnel.

Technology Crimes

The Technology Crimes Section (TCS) within the Office of Investigations is staffed by investigators with the specialized skills necessary to proactively and reactively investigate the expanding number of high technology crimes that are occurring within many of the programs associated with the Department's business lines and to provide computer forensic support during general fraud investigations. This is essential because risks and vulnerabilities are on the increase (i.e., fraud, employee misuse, virus attacks, security breaches, and computer systems intrusions) and historic methodologies for committing crime, especially white-collar crime, have been successfully adapted to modern technology.

The TCS, established in FY 1999, has worked aggressively over the years to obtain criminal convictions against individuals who hacked into the Department's computer networks, as well as others who used Government equipment to download and view child pornography. Additionally, during FY 2003, a TCS special agent participated in a search of a residence and the arrest of a United Kingdom citizen in London, England. The action occurred as a result of an unprecedented joint investigation between the Energy OIG and New Scotland Yard's Computer Crime Unit. The investigation involved allegations of unauthorized access by a suspected hacker into 17 Government-owned computers at a Department laboratory.

During FY 2004, the TCS will continue to: (1) proactively contribute to and support fraud investigations through consultations and forensic media analysis; (2) investigate incidents of technology crimes and non-compliance with applicable regulations involving protection of the information infrastructure throughout the Department's complexes; and (3) clarify and extend the TCS's role in technology incident response and investigations in the Department.

Other Initiatives

In addition to its work within the four program areas, the office will, as resources allow, address other initiatives in FY 2004 aimed at improving operational effectiveness and efficiency.

Proactive Work

The work performed by the Office of Investigations has been historically reactive in nature—responding to allegations of wrongdoing. During FY 2003, the office streamlined and formalized its proactive case development process. This targeted approach is designed to ensure a more efficient and effective use of resources. Additionally, partnerships with other law enforcement establishments and Department managers and employees will be expanded, and productive sources of information will be further cultivated.

One area that continued to receive proactive attention in FY 2003 was the Government purchase card program. Since the initiation of the OIG's proactive Government purchase card program in FY 2002, the Office of Investigations has obtained notable criminal convictions involving significant misuse and abuse of such cards. One contractor employee was sentenced to 13 months incarceration and 3 years supervisory probation and ordered to pay restitution of \$137,446. Two subcontractor employees mischarged in excess of \$80,000 and were sentenced to home detention and probation. Four additional employees entered guilty pleas for purchase card misuse.

Quality Assurance Reviews

During FY 2003, three of five internal Quality Assessment Reviews (QAR) were completed. The program is modeled after the President's Council on Integrity and Efficiency's (PCIE) peer review process, which is a new requirement under section 6(e) of the IG Act of 1978, as amended. The QARs are designed to evaluate whether: (1) investigative offices are in compliance with the PCIE's Quality Standards for Investigations, relevant Federal laws and regulations, Agency directives and orders, and internal investigative policies, objectives and priorities; and (2) adequate internal safeguards and management procedures exist relative to the OIG's newly granted statutory law enforcement authority. In addition to providing assessments of organizational performance and compliance, the process is also used to identify opportunities to improve, streamline, and reduce redundancies in office policies and programs. In FY 2004, the Office of Investigations will complete the remaining internal QARs and prepare for its first external PCIE peer review, which is scheduled for the fall of 2004.

Office of Inspections and Special Inquiries

The Office of Inspections and Special Inquiries conducts performance and allegation-based inspections, as well as special inquiries in response to concerns raised by Congress, senior levels of the Department, and others. The office also manages the OIG Hotline and Management Referral Systems. The office facilitates management reform in the Department by evaluating and providing recommendations to improve program performance. Although the office plans a portion of its annual inspection work, it exercises a degree of flexibility to promptly address concerns and allegations received during the course of the year. The Office of Inspections and Special Inquiries initiated an annual average of 11 allegation-based inspections over the last 3 years. When planning its performance inspection work, the office identifies and prioritizes topics responsive to the President's Management Agenda, the Secretary's Mission Priorities, and the Department's Management Challenges as identified by the OIG. Inspections are initiated with consideration given to their significance and potential impact on Department programs and operations. In light of current heightened concerns over homeland security, the office is focusing its resources to address critical safety and security issues affecting programs and operations throughout the Department. The following reflects planned inspections for FY 2004.

National Security

Twenty-two inspections will be carried into FY 2004 and 12 are planned that focus on National Security. These include inspections of:

Carry-In

- Security policies and procedures to protect spent nuclear fuel shipments during transport. (S02IS027)
- Department policies and procedures for control and accountability of special nuclear material from foreign countries. (S02IS028)
- Security and inventory controls for hazardous/toxic chemicals at selected Department sites. (S02IS035)
- Handling of export controlled information associated with grants to academic institutions and work-for-others contracts with non-Government entities at a Department site. (S03IS001)
- Adequacy of internal controls over use and inventories of classified laptop computers at a Department site. (S03IS008)
- Memorandums of Agreement/Memorandums of Understanding at selected Department facilities. (S03IS009)

- Controls of select chemicals at a Department site. (S03IS013)
- Adequacy of internal controls over use and inventories of desktop computers at a Department site. (S03IS016)
- Policies and procedures regarding the handling of intelligence data at selected Field Intelligence Elements. (S03IS017)
- Requirements for handling and reporting the loss of security keys. (S03IS021)
- Nuclear waste disposal shipments. (S03IS022)
- Adequacy of internal controls for computers at a Department site. (S03IS025)
- Review of force-on-force exercises at a Department site. (S03IS028)
- Counterintelligence inspections program. (S03IS030)
- Adequacy of management's response to security incidents at a Department site. (S03IS031)
- Adherence with Department and Federal Government "deemed export" controls. (S03IS032)
- Physical security at a Department site. (S03IS033)
- Biosecurity at a Department site. (S03IS038)
- Management and internal controls of computer network. (S03IS034)
- Nuclear waste security at a site. (S02IS017)
- Possible medical card fraud. (S03IS035)
- Intelligence oversight (fourth quarter) as required by Executive Order 12863, "President's Foreign Intelligence Advisory Board," with a report to the President's Intelligence Oversight Board. (S03IS037)

Planned

- Employee screening.
- Safety and security contract requirements flow-down to subcontractors.
- Arming uncleared security officers.
- Adherence to security requirements at a selected Department site.
- Control and accountability of classified removable computer media.
- Adequacy of security at a selected Department site.
- Excessing and disposing of classified computer hard drives and other classified removable media.
- Export control review.

- Intelligence activities, as required by Executive Order 12333, "United States Intelligence Activities," and Executive Order 12863 (quarterly reviews, with reports to the President's Intelligence Oversight Board).

Corporate Management

Four inspections will be carried into FY 2004 that focus on Corporate Management, and three inspections are planned in this area. These include inspections of:

Carry-In

- Management issues at a program site. (S03IS005)
- Establishment and operation of a website. (S03IS012)
- Beam line charges at a national laboratory. (S03IS018)
- Procurement issues at a program office. (S03IS019)

Planned

- Oversight of maintenance at a selected Department site.
- Utilization of Government purchase cards.
- Accountability for property assigned to departing employees.

Environmental Management

An inspection will be carried into FY 2004 that focuses on environmental management.

Carry-in

- Beryllium concerns at a site. (S0315036)

FY 2004 Performance Plan Schedule

Office of Audit Services

AUDIT NUMBER	TITLE
FISCAL YEAR 2004 PERFORMANCE CARRY-IN AUDITS	
A02OR029	REINDUSTRIALIZATION EAST TENNESSEE TECHNOLOGY PARK
A03AL003	SAFEGUARDS OF NUCLEAR/SENSITIVE TECHNOLOGIES IN THE TECHNOLOGY TRANSFER PROGRAM
A03AL036	CONTROLS OVER EXPENDITURES WITHIN THE OFFICE OF TRANSPORTATION SAFEGUARDS
A03AL037	NNSA'S ABILITY TO MEET READINESS GOALS
A03AL038	MANAGEMENT AND OPERATING CONTRACTOR SUBCONTRACT ADMINISTRATION
A03AL041	NNSA'S REFURBISHMENT OF THE B61
A03AL042	NNSA PROJECT ENGINEERING AND DESIGN
A03CH046	PROCUREMENT ADMINISTRATION AT ARGONNE
A03DC009	ENHANCED SURVEILLANCE PROGRAM
A03DC010	TIMELY RESOLUTION OF SAFETY DEFICIENCIES
A03DN002	DOE'S IMPLEMENTATION OF GOVERNMENT OUTSOURCING INITIATIVES
A03DN036	OVERHEAD COSTS AT BONNEVILLE POWER ADMINISTRATION
A03DN039	SAFEGUARDS AND SECURITY PROGRAM AT ROCKY FLATS
A03IF009	REVISED PIT 9 CLEANUP PLAN AT INEEL
A03IF037	INTEGRATED SAFETY MANAGEMENT PERFORMANCE MEASURES
A03IF038	COMPLETION OF INEEL'S SETTLEMENT AGREEMENT MILESTONES
A03IF040	URANIUM MILL TAILINGS REMEDIAL ACTIONS, UTAH
A03LA013	NUCLEAR MATERIALS STABILIZATION PROGRAM
A03LA044	LOS ALAMOS NEUTRON SCIENCE CENTER PROJECT
A03LL017	NONPROLIFERATION TECHNOLOGY IMPLEMENTATION
A03LL043	CERTIFICATION OF WEAPONS STOCKPILE
A03LV040	LICENSING SUPPORT FOR NETWORK FOR THE YUCCA MOUNTAIN PROJECT
A03NE039	FEDERAL ENERGY REGULATORY COMMISSION PERFORMANCE MEASURES
A03OR010	COLD STANDBY PROGRAM AT THE PORTSMOUTH GASEOUS DIFFUSION PLANT
A03OR011	COST SHARING AT THE WEST CHICAGO THORIUM PROCESSING FACILITY

AUDIT NUMBER	TITLE
A03OR013	REMEDIATION OF THE WASTE SILOS & PITS AT FEMP
A03OR014	WASTE MANAGEMENT AT THE OAK RIDGE RESERVATION
A03PT041	PROTECTION FORCE TRAINING COSTS AT THE DEPARTMENT
A03PT042	RESOLUTION AND FOLLOWUP
A03PT044	PROCUREMENT ADMINISTRATION FOR MAJOR CONTRACTORS
A03PT048	EMERGENCY PREPAREDNESS
A03RL015	PLUTONIUM FINISHING PLANT AT HANFORD
A03RL016	GROUNDWATER/VADOSE ZONE INTEGRATION PROJECT AT HANFORD
A03RL017	WASTE RECEIVING & PROCESSING FACILITY AT HANFORD
A03RL018	PLANNING FOR THE WASTE TREATMENT PLANT AT HANFORD
A03SC016	MANAGEMENT OF DIRECTED PROJECTS
A03SC050	US LARGE HADRON COLLIDER PROJECT
A03SR021	PIT DISASSEMBLY & CONVERSION FACILITY AT SAVANNAH RIVER
A03SR022	REQUIREMENTS FOR TRITIUM
A03SR031	FOREIGN RESEARCH REACTOR SPENT NUCLEAR FUEL PROGRAM
A03SR041	NNSA TRITIUM PRODUCTION PLAN
A03TG034	FERC INFORMATION SYSTEMS
A03TG035	DOE'S INTEGRATED SECURITY SYSTEM
A03TG036	IMPLEMENTATION OF THE INDICATIONS, WARNING, ANALYSIS AND REPORTING CAPABILITY
A03TG043	ENTERPRISE RESOURCE PLANNING SYSTEMS
A03TG051	CONTROLS OVER ACQUISITION AND MANAGEMENT OF CELL PHONES AND PAGERS
A03YT027	ENRICHED URANIUM OPERATIONS
A03YT028	HIGHLY ENRICHED URANIUM MATERIALS STORAGE PROJECT AT Y-12

AUDIT NUMBER	TITLE
GMRA FISCAL YEAR 2004 CARRY-IN AUDITS	
A03FN001	DOE – FY 2003
A03FN002	ISOTOPE PRODUCTION DISTRIBUTION – FY 2003
A03FN003	DECOMMISSIONING & DECONTAMINATION – FY 2003
A03FN004	FEDERAL ENERGY REGULATORY COMMISSION – FY 2003
A03FN008	INFORMATION TECHNOLOGY MANAGEMENT LETTER
A03FN009	FINANCIAL MANAGEMENT LETTER
A03FN010	FMFIA FY 2003
OTHER FISCAL YEAR 2004 FINANCIAL CARRY-IN AUDITS	
A03FF027	JEFFERSON LAB COST AUDIT
A03FF028	JEA A-133 QUALITY ASSURANCE REVIEW
A03LL032	LAWRENCE LIVERMORE NATIONAL LAB FY 2002 FINANCIAL CERTIFICATION
A03LL033	ROCKETDYNE FY 2002 FINANCIAL CERTIFICATION
A03PR030	PRINCETON EMPLOYEE BENEFITS
A03YT035	BWXT Y-12 FY 2002 FINANCIAL CERTIFICATION
PLANNED FISCAL YEAR 2004 PERFORMANCE AUDITS	
NATIONAL SECURITY	
A04AL001	UTILIZATION OF THE NEVADA TEST SITE'S DEVICE ASSEMBLY FACILITY
A04AL002	LIMITED LIFE COMPONENT EXCHANGE (LLCE) PROGRAM
A04AL003	PANTEX PLANT'S STOCKPILE MANAGEMENT RESTRUCTURING INITIATIVE
A04AL004	NNSA'S SECURE TRANSPORTATION ASSET PROGRAM
A04AL005	REQUIREMENTS FOR THE PIT MANUFACTURING FACILITY
A04AL006	INTERNATIONAL MATERIALS PROTECTION, CONTROL & ACCOUNTING PROGRAM
A04DC008	HIGH EXPLOSIVE MANUFACTURING
A04DC009	REIMBURSABLE WORK FOR THE DEPARTMENT OF HOMELAND SECURITY
A04DC010	CONTROL OF CLASSIFIED DOCUMENTS
A04LA012	RELOCATION OF LOS ALAMOS TECHNICAL AREA 18 TO THE NEVADA TEST SITE
A04LA013	LOS ALAMOS NATIONAL LABORATORY'S FOUNDATION

AUDIT NUMBER	TITLE
A04LA014	HYDROTEST PROGRAM AT LOS ALAMOS
A04LL015	HIGHLY ENRICHED URANIUM TRANSPARENCY IMPLEMENTATION PROGRAM
A04LL016	COMPLETION OF THE TERASCALE SIMULATION FACILITY
A04LL017	ADVANCED DESIGN AND PRODUCTION TECHNOLOGIES CAMPAIGN
A04LV018	ATLAS FACILITY OPERATIONS AT THE NEVADA TEST SITE
A04LV019	TRANSPORTATION CASKS FOR COMMERCIAL SPENT NUCLEAR FUEL
A04LV021	TRANSPORTATION NEEDS WITHIN THE STATE OF NEVADA TO YUCCA MOUNTAIN
A04LV022	USE OF PERFORMANCE BASED INCENTIVES BY OCRWM
A04NE005	OFFICE OF SCIENCE SECURITY PROCEDURES
A04NE036	DOE'S FOREIGN OWNERSHIP CONTROL OR INFLUENCE PROGRAM
A04SR023	HIGHLY ENRICHED URANIUM BLEND DOWN PROJECT AT SRS
A04TG023	INFORMATION TECHNOLOGY MANAGEMENT OF THE STRATEGIC PETROLEUM RESERVE
A04YT023	MODERNIZATION ACTIVITIES AT THE Y-12 NATIONAL SECURITY COMPLEX
A04YT024	CONSOLIDATION OF MICROSYSTEM CAPABILITY
A04YT025	NONPROLIFERATION ACTIVITIES AT THE Y-12 NATIONAL SECURITY COMPLEX
A04YT027	CHEMICAL & METALLURGICAL RESEARCH BUILDING REPLACEMENT PROJECT AT LANL

ENVIRONMENTAL MANAGEMENT

A04DC007	PROJECT MANAGEMENT IN NNSA
A04DN001	BONNEVILLE POWER ADMINISTRATION FISH AND WILDLIFE PROGRAM
A04ID006	NEPA DECISIONS AT INEEL
A04ID007	NATIONAL TRU WASTE MANAGEMENT PLAN
A04ID009	PERFORMANCE BASED INCENTIVES FOR NUCLEAR ENERGY ACTIVITIES AT INEEL
A04OR011	REMEDIATION OF THE PORTSMOUTH GASEOUS DIFFUSION PLANT
A04OR012	ENVIRONMENTAL MANAGEMENT CLEANUP REFORM
A04OR013	DEPLETED URANIUM HEXAFLUORIDE CONVERSION
A04OR014	ENVIRONMENTAL CLEANUP AT LANL
A04PR009	ENVIRONMENT, SAFETY, AND HEALTH ACTIVITIES AT BROOKHAVEN NATIONAL LABORATORY

AUDIT NUMBER	TITLE
A04RL015	PLANNED ACCELERATION OF TANK WASTE RETRIEVAL AT HANFORD
A04RL016	GENERAL FACILITY COMPONENT OF THE WASTE TREATMENT PLAN PROJECT BASELINE
A04RL017	TRANSURANIC TANK WASTE AT HANFORD
A04RL018	D&D ACTIVITIES AT THE HANFORD SITE
A04SC022	POLLUTION PREVENTION AND WASTE MINIMIZATION PROGRAM
A04SR020	DEFENSE WASTE PROCESSING OPERATIONS AT SRS
A04SR021	LONG TERM MANAGEMENT OF SPENT NUCLEAR FUEL AT THE SRS
A04SR022	CANYON DEACTIVATION PLANS AT SRS

ENERGY/SCIENCE

A04CH001	DEPARTMENT'S HYDROGEN VEHICLES PROGRAMS
A04DN005	PMA PARTICIPATION IN REGIONAL TRANSMISSION ORGANIZATIONS
A04ID008	TECHNOLOGY TRANSFER AND COMMERCIALIZATION PROGRAM AT INEEL
A04ID010	INSTRUMENTATION CALIBRATION LABORATORIES
A04NE006	DEPARTMENT'S MANAGEMENT OF U-233 INVENTORIES
A04NE007	REVIEW OF THE DEPARTMENT'S ISOTOPE PROGRAM
A04PR011	SUPER ENERGY SAVINGS PERFORMANCE CONTRACT FOLLOW-UP
A04PT015	FOSSIL ENERGY'S PROGRAM PERFORMANCE MANAGEMENT
A04PT016	TECHNOLOGICAL READINESS OF THE CARBON SEQUESTRATION PROGRAM
A04SC021	PROPOSED EXPANSION OF THE SPALLATION NEUTRON SOURCE (SNS EXPANSION)

CORPORATE MANAGEMENT

A04DN002	DOE'S IMPLEMENTATION OF BERYLLIUM WORKER EXPOSURE REDUCTION PROGRAM
A04DN003	POST-CLOSURE BENEFITS PLANNING FOR CONTRACTOR EMPLOYEES
A04DN004	REQUESTS FOR EQUITABLE ADJUSTMENT AT ROCKY FLATS
A04LA011	INTERNAL CONTROLS AT LOS ALAMOS NATIONAL LABORATORY
A04LV020	USE OF OVERSIGHT FUNDS BY THE STATE OF NEVADA AND LOCAL GOVERNMENTS
A04NE004	COST-SHARING PARTNERSHIPS

AUDIT NUMBER	TITLE
A04NE008	CONTROLS OVER CONTRACTOR EDUCATION CREDITS
A04PR010	EMPLOYEE MEAL, MORALE, AND MISCELLANEOUS REIMBURSEMENTS AT M&OS
A04PR012	INTERNATIONAL THERMONUCLEAR EXPERIMENTAL REACTOR PROJECT (ITER)
A04PR013	CENTRAL OFFICE EXPENSES AT M&O CONTRACTORS
A04PR014	CONSULTANTS AT DEPARTMENT FACILITIES
A04RL019	BECHTEL NATIONAL'S PERFORMANCE FEE
A04SC017	ROYALTY AND PATENT INCOME AT OFFICE OF SCIENCE LABORATORIES
A04SC018	AUDIT OF SELECTED GRANTS
A04SC019	PROJECT PLANNING FOR SECURITY, SAFETY, QUALITY AND ENVIRONMENTAL REQUIREMENTS
A04SC020	APPROVAL PROCESS FOR NEW BASIC R&D PROJECTS
A04SC017	ROYALTY AND PATENT INCOME AT OFFICE OF SCIENCE LABORATORIES
A04SC019	PROJECT PLANNING FOR SECURITY, SAFETY, QUALITY AND ENVIRONMENTAL REQUIREMENTS
A04SC020	APPROVAL PROCESS FOR NEW BASIC R&D PROJECTS
A04TG024	DECENTRALIZATION OF NETWORK SYSTEMS AT THE OAK RIDGE RESERVATION
A04TG025	ELECTRONIC R&D PORTFOLIO MANAGEMENT TRACKING AND REPORTING ENVIRONMENT
A04TG026	IMPLEMENTATION OF THE DEPARTMENT'S EXTENDED COMMON INTEGRATED TECHNOLOGY ENVIRONMENT (EXCITE) SERVICES
A04TG027	OAK RIDGE COMPLEX RADIO CONVERSION PROJECT
A04TG028	DEPARTMENT'S IMPLEMENTATION OF INFORMATION TECHNOLOGY RELATED PERFORMANCE MEASURES
A04TG029	DOE'S CRITICAL MONITORING AND CONTROL SYSTEMS
A04TG030	MANAGEMENT OF THE DEPARTMENT'S ENTERPRISE ARCHITECTURE
A04TG031	RETENTION AND MANAGEMENT OF THE DEPARTMENT'S LEGACY INFORMATION
A04TG032	FEDERAL ENERGY REGULATORY COMMISSION'S IMPLEMENTATION OF THE FEDERAL INFORMATION SECURITY MANAGEMENT ACT (FISMA)
A04TG033	DOE'S IMPLEMENTATION OF THE FEDERAL INFORMATION SECURITY MANAGEMENT ACT (FISMA)
A04YT026	HUMAN CAPITAL AT THE Y-12 NATIONAL SECURITY COMPLEX
A04YT028	MAINTENANCE ACTIVITIES AT THE Y-12 NATIONAL SECURITY COMPLEX

AUDIT NUMBER	TITLE
PLANNED FISCAL YEAR 2004 GMRA AUDITS	
A04FN001	DOE'S FY 2004 GMRA
A04FN002	FERC FY 2004 GMRA
A04FN003	ISOTOPE PRODUCTION DISTRIBUTION FY 2004 GMRA
A04FN004	DECOMMISSIONING AND DECONTAMINATION FY 2004 GMRA
OTHER PLANNED FISCAL YEAR 2004 FINANCIAL AUDITS	
A04AL029	SANDIA FY 2003 SCIC
A04CH034	ARGONNE NATIONAL LABORATORY FY 2003 SCIC
A04FF002	UNIVERSITY AND COMMUNITY COLLEGE SYSTEM OF NEVADA (A-133)
A04FF003	FMFIA – FY 2004
A04ID024	BECHTEL BWXT FY 2003 SCIC
A04ID025	WESTINGHOUSE-WIPP FY 2003 SCIC
A04LA030	LOS ALAMOS FY 2003 SCIC
A04LA031	HONEYWELL FY 2003 SCIC
A04LL032	LIVERMORE FY 2003 SCIC
A04LL033	BERKELEY FY 2003 SCIC
A04LL034	STANFORD LINEAR ACCELERATOR CENTER FY 2003 SCIC
A04LV035	BECHTEL FY 2003 SCIC
A04OR026	UT-BATTELLE FY 2003 SCIC
A04OR027	BECHTEL JACOBS FY 2003 SCIC
A04PR035	BROOKHAVEN NATIONAL LABORATORY FY 2003 SCIC
A04RL028	PNNL FY 2003 SCIC
A04SR029	WESTINGHOUSE SAVANNAH RIVER CO FY 2003 SCIC
A04YT036	BWXT Y-12 FY 2003 SCIC

Office of Inspections and Special Inquiries

INSPECTION
NUMBER TITLE

CARRY-IN

NATIONAL SECURITY

S03IS038	BIOSECURITY AT A DOE SITE
S03IS037	FY 2003 FOURTH QUARTER INTELLIGENCE OVERSIGHT
S03IS035	POSSIBLE MEDICAL CARD FRAUD
S03IS034	MANAGEMENT AND INTERNAL CONTROL OF COMPUTER NETWORK
S03IS033	PHYSICAL SECURITY AT A DOE SITE
S03IS032	DOE CONTRACTOR ADHERENCE WITH DEEMED EXPORT CONTROLS
S03IS031	RESPONSE TO SECURITY INCIDENTS AT A DOE SITE
S03IS030	COUNTERINTELLIGENCE INSPECTIONS PROGRAM
S03IS028	FORCE-ON-FORCE EXERCISE
S03IS025	COMPUTER INTERNAL CONTROLS
S03IS022	NUCLEAR WASTE SHIPMENTS
S03IS021	SECURITY KEYS
S03IS017	OVERSIGHT REVIEW OF SELECTED FIELD INTELLIGENCE ELEMENTS
S03IS016	DESKTOP COMPUTER INTERNAL CONTROLS
S03IS013	CONTROLS OVER SELECT CHEMICALS AT A SELECT DOE SITE
S03IS009	MOAs/MOUs AT SELECTED DOE FACILITIES
S03IS008	LAPTOP COMPUTER INTERNAL CONTROLS
S03IS001	EXPORT CONTROL OF GRANT/WFO INFO
S02IS035	HAZARDOUS/TOXIC CHEMICAL SECURITY
S02IS028	SNM RECEIVED FROM FOREIGN COUNTRIES
S02IS027	SECURITY OF SNF SHIPMENTS
S02IS017	NUCLEAR WASTE SECURITY AT A DOE SITE

PLANNED

EMPLOYEE SCREENING

SAFETY AND SECURITY CONTRACT REQUIREMENTS FLOW-DOWN TO SUBCONTRACTORS

ARMING UNCLEARED SECURITY OFFICERS

ADHERENCE TO SECURITY REQUIREMENTS AT A SELECTED DOE SITE

CONTROL AND ACCOUNTABILITY OF CLASSIFIED REMOVABLE COMPUTER MEDIA

ADEQUACY OF SECURITY AT A SELECTED DOE SITE

EXCESSING AND DISPOSING OF CLASSIFIED COMPUTER HARD DRIVES AND OTHER CLASSIFIED REMOVABLE MEDIA

EXPORT CONTROL REVIEW

FY 2004 FIRST QUARTER INTELLIGENCE OVERSIGHT REVIEW

FY 2004 SECOND QUARTER INTELLIGENCE OVERSIGHT REVIEW

FY 2004 THIRD QUARTER INTELLIGENCE OVERSIGHT REVIEW

FY 2004 FOURTH QUARTER INTELLIGENCE OVERSIGHT REVIEW

INSPECTION
NUMBER

TITLE

CARRY-IN

CORPORATE MANAGEMENT

S03IS019	PROCUREMENT ISSUES AT A PROGRAM OFFICE
S03IS018	BEAM LINE CHARGES AT A NATIONAL LABORATORY
S03IS012	WEBSITE PROJECT
S03IS005	MANAGEMENT ISSUES AT A PROGRAM SITE

PLANNED

MAINTENANCE AT A SELECTED DOE SITE

UTILIZATION OF GOVERNMENT PURCHASE CARDS

ACCOUNTABILITY FOR ASSIGNED PROPERTY OF DEPARTING EMPLOYEES

ENVIRONMENTAL MANAGEMENT

S03IS036	BERYLLIUM CONCERNS AT A SITE
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Appendix A

Validation and Verification

The chart below represents how the OIG validates and verifies its performance activities.

DATA SOURCES:	OIG Semiannual and Quarterly Reports to Congress; Inspector General Act of 1978, as amended; Government Management Reform Act; Government Performance and Results Act; Government Information Security Reform Act; False Claims Act; Executive Order 12863, “President’s Foreign Intelligence Advisory Board”; and, Executive Order 12333, “United States Intelligence Activities.”
FREQUENCY:	Annually/Semiannually/Quarterly.
DATA STORAGE	OIG Energy Inspector General Project Tracking System.
VERIFICATION	OIG policies and procedures; Yellow Book Standards; PCIE Quality Standards for Investigations and Inspections; and internal and external peer reviews.

Cross-Cutting Program Activities

In performing its mission, the OIG undertakes many of its activities with other external organizations to achieve a common goal. Such organizations include:

- *Federal prosecutors in the Department of Justice and United States Attorneys Offices throughout the country;*
- *The Defense Contract Audit Agency;*
- *The General Accounting Office;*
- *Other law enforcement agencies on task force/joint agency investigations;*
- *State and local prosecutors;*
- *Other Federal agency OIGs for mandated export control reviews;*
- *The Intelligence Oversight Board on intelligence matters concerning violations of law, Executive order, Presidential directive, or Department Intelligence Procedures;*
- *Intelligence community OIGs for interagency reviews of intelligence issues; and,*
- *The PCIE and its committees.*

